

Statement of Dean Burch, Chairman,  
Federal Communications Commission  
before the  
Subcommittee on Communications  
of the  
Senate Committee on Commerce  
on S.3558

April 1, 1970

Mr. Chairman, I welcome this opportunity to give you the Commission's views on S.3558, the "Public Broadcasting Financing Act of 1970". This bill is designed to carry out the President's recommendation, as set forth in his Message on Education Reform, to extend Federal support of the Corporation for Public Broadcasting.

S.3558 would authorize annual appropriations for the Corporation through fiscal year 1973. Such sums as may be necessary would be authorized for each of the three fiscal years of 1971 through 1973. S.3558 would also encourage public support of the Corporation by providing for a Federal contribution equivalent to the non-Federal contributions given to the Corporation. Paragraph (2) of section 396(k) of the Communications Act, which limits grants or contracts to any one station or for any one project to \$250,000 for fiscal years 1969 and 1970, would not be extended.

The Commission supports S.3558 as a needed extension of the interim financing for the Corporation for Public Broadcasting which had been earlier provided in Public Laws 90-129, 90-294, and 91-97, and also supports the deletion of paragraph (2) of section 396(k) of the existing law which has an unduly restrictive effect on the operations of the Corporation.

We note that a portion of the annual Federal funding would be based on matching the dollars raised by the Corporation from non-Federal sources. The Commission favors the anticipated stimulation of increased contributions from private sources through the incentive offered in this matching process.

Most important, however, is the provision of the bill authorizing "for each of the next three fiscal years" after 1970 the appropriation of "such sums as may be necessary". Authorizing funds for the Corporation for a three year period will permit the Corporation to grow in an orderly and planned way so important to a new undertaking. We believe that the Corporation's need for funds will likely increase during this three year period. The open end provision for authorization of such sums as may be necessary, taken together with the above matching process, will thus provide suitable flexibility to meet these rising needs.

The Commission wishes to stress, however, as it has in the past, the crucial importance of obtaining for the Corporation at the earliest possible time a permanent financial base not dependent upon annual appropriations. The Committee will recall that the Carnegie Commission recommended establishment of permanent financing of a very substantial order at an early date. Too great a delay in finding the permanent financing solution will adversely affect the development of the Corporation and thus of the nation's noncommercial educational system. Mr. Chairman, the Commission believes that there is no matter of greater importance or significance than this, in "promoting the larger and more effective use of radio in the public interest" (section 303(g) of the Communications Act of 1934, as amended). The Commission and its staff would therefore be most happy to work with your committee and other interested agencies to achieve a solution.

For the foregoing reasons, the Commission supports the enactment of S.3558.

Thank you, Mr. Chairman.

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Statement of Commissioner Nicholas Johnson,  
Federal Communications Commission, before the  
Subcommittee on Communications of the Senate  
Committee on Commerce on S. 3558, concurring  
in the statement of the Commission, April 1, 1970

I am heartened by the leadership of our Chairman, Dean Burch, in urging the more adequate and permanent funding of the Corporation for Public Broadcasting. I join the Commission's statement supporting this important legislation, and would like to add a few concurring words of my own.

Nothing is more important to a free, self-governing people than education and information.

No single instrument has a greater impact upon education and information today than television.

No institution has a greater potential for positive influence--both in its own right, and in its impact upon commercial television--than the Corporation for Public Broadcasting. "Sesame Street" has given us a glimpse of what television could offer our people.

Other civilized nations have recognized this fact. Both Japan and England, for example, have public broadcasting corporations and commercial television operating side-by-side. Both have not just one, but two, nationwide public broadcasting television networks. (Each also has three or more nationwide radio networks.) Both have been prepared to spend 100 to 250 times as much as President Nixon has asked for the Corporation for Public Broadcasting budget.

We should demand fully as much--if not more--for the American people as is made available to the English and the Japanese. On the satisfaction of such demands turns nothing less than the national well-being and international position of the United States during the remainder of this century.

The American people spend, and gladly, some \$50 to \$60 billion a year on public school and university education. And yet our children receive more of their education from television than from school and parents combined. A mere 1 percent of this amount would provide a public broadcasting budget of one-half billion dollars a year. Not enough, perhaps, but at least closer to our needs than the \$10 or \$20 million we've been debating.

Public broadcasting also requires, of course, adequate facilities. Congress has made a great contribution with the Educational Television Facilities Act. The FCC of an earlier era made a contribution by reserving some channels. But the fact remains that we are a long way from the two or more nationwide public broadcasting networks that most civilized nations possess today.

Even if the FCC were to decree a nationwide VHF television network, and a nationwide UHF television network for our largest 100 urban centers (which the FCC could do); and even if \$500 million a year were instantly available; it would still take until the year 2000

for us to have a public broadcasting system that would have an impact upon the people of this nation equivalent to public broadcasting in foreign countries.

The alternative methods of funding have been identified and examined: an excise tax on television set sales, a use tax (as in Great Britain and Japan), a special check-off on the tax return, appropriations from general revenue funds, an excess profits tax on the commercial broadcasters, and so forth. None is perfect. Any, alone or in combination, are decidedly better than nothing.

All we need is the will to act. History will smile upon those who do.